

To: The Honorable Mayor and City Council

From: Maxine Calloway, Community Planning & Development Director

Date: September 10, 2013

Re: A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, ALLOWING THE CITY ADMINISTRATION TO EXCEED THE MAXIMUM AWARD AMOUNT PER ELIGIBLE PROPERTY UNDER THE NW 7TH AVENUE COMMERCIAL FAÇADE PROGRAM GUIDELINES FROM \$80,000 TO \$140,000 FOR IN ORDER TO PROVIDE ADDITIONAL ASSISTANCE FOR ONE COMMERCIAL FAÇADE REHABILITATION PROJECT; PROVIDING FOR AN EFFECTIVE DATE AND ALL OTHER PURPOSES.

RECOMMENDATION

Staff is recommending approval of a grant in the amount of \$140,000 (One Hundred and Forty Thousand Dollars) to **13715 Holdings, LLC** for the façade rehabilitation of the property located at 13715-53 NW 7th Avenue, under the City of North Miami NW 7th Avenue Commercial Façade Program.

BACKGROUND INFORMATION

On March 12, 2013 the North Miami City Council approved the "NW 7th Avenue Commercial Façade Program Application and Guidelines" providing financial assistance to commercial properties located along the NW 7th Avenue Corridor for the purpose of rehabilitating their facade. More specifically, the program offers a grant on a 50/50 basis of the total cost of the rehabilitation project, up to \$80,000.

The shopping center located at 13715-53 NW 7th Avenue if approved will be the first property to participate in the program. The project will consist of total rehabilitation of building façade, parking resurfacing, landscaping, and signage. The total cost of the project is \$287,880.00 (Two Hundred and Eighty Seven Eight Hundred and Eighty Dollars). The owner is requesting a grant from the City of \$140,000 (One Hundred and Forty Thousand Dollars).

13715 Holdings, LLC has agreed to certain terms and conditions concerning the leasing to the City of a single bay at the project location in exchange for the increase in the maximum award.

RESOLUTION NO. _____

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA, ALLOWING THE CITY ADMINISTRATION TO EXCEED THE MAXIMUM AWARD AMOUNT PER ELIGIBLE PROPERTY UNDER THE NW 7TH AVENUE COMMERCIAL FAÇADE PROGRAM GUIDELINES FROM EIGHTY THOUSAND DOLLARS (\$80,000.00) TO ONE HUNDRED FORTY THOUSAND DOLLARS (\$140,000.00) IN ORDER TO PROVIDE ADDITIONAL ASSISTANCE FOR ONE (1) COMMERCIAL FAÇADE REHABILITATION PROJECT; PROVIDING FOR AN EFFECTIVE DATE AND ALL OTHER PURPOSES.

WHEREAS, on March 12, 2013, the Mayor and Council adopted Resolution R-2013-12, approving the City of North Miami NW 7th Avenue Commercial Façade Program application and guidelines (attached hereto as Exhibit “A”) which established a maximum rehabilitation assistance award amount of Eighty Thousand Dollars (\$80,000.00); and

WHEREAS, the maximum award amount is insufficient to address the commercial façade rehabilitation project for the property owned by 13715 Holdings, LLC; and

WHEREAS, the increase from Eighty Thousand Dollars (\$80,000.00) to One Hundred Forty Thousand Dollars (\$140,000.00) will be sufficient to fund the rehabilitation costs for the commercial façade of the property located at 13715-13753 N.W. 7th Avenue; and

WHEREAS, 13715 Holdings, LLC has agreed to certain terms and conditions concerning the leasing to the City of a single bay at the project location in exchange for the increase in the maximum award.

NOW THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NORTH MIAMI, FLORIDA:

Section 1. Authorization to City Administration to exceed Maximum Award Amount. The Mayor and City Council of the City of North Miami, Florida, hereby approve that the maximum commercial facade rehabilitation award for the property located at 13715-3753 N.W. 7th Avenue shall exceed the Eighty Thousand Dollars (\$80,000.00) limit to One Hundred Forty Thousand Dollars (\$140,000.00).

Section 2. Effective Date. This Resolution shall become effective immediately upon adoption.

PASSED AND ADOPTED by a _____ vote of the Mayor and City Council of the City of North Miami, Florida, this _____ day of September, 2013.

LUCIE M. TONDREAU
MAYOR

ATTEST:

MICHAEL A. ETIENNE, ESQ.
CITY CLERK

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY:

REGINE M. MONESTIME
CITY ATTORNEY

SPONSORED BY: CITY ADMINISTRATION

Moved by: _____

Seconded by: _____

Vote:

Mayor Lucie M. Tondreau	_____	(Yes)	_____	(No)
Vice Mayor Scott Galvin	_____	(Yes)	_____	(No)
Councilperson Carol Keys, Esq.	_____	(Yes)	_____	(No)
Councilperson Philippe Bien-Aime	_____	(Yes)	_____	(No)
Councilperson Marie Erlande Steril	_____	(Yes)	_____	(No)

13715-53 NW 7th Avenue



CITY OF NORTH MIAMI
NW 7th AVENUE
COMMERCIAL FAÇADE PROGRAM

PROGRAM APPLICATION
AND
GUIDELINES



CITY OF NORTH MIAMI
COMMUNITY PLANNING AND DEVELOPMENT DEPARTMENT

2013

CITY OF NORTH MIAMI
NW 7th AVENUE
COMMERCIAL FAÇADE PROGRAM

Improvements to the facades of commercial buildings help local businesses attract new customers and can have a significant impact on the marketability of the surrounding area.

In order to help improve the NW 7th Avenue commercial corridor, the City of North Miami is offering financial incentives to property owners of eligible commercial buildings along the corridor for façade rehabilitation.

The program offers a grant of up to 50% of the approved project cost. The maximum City financial contribution is \$80,000 (Eighty thousand dollars) per building.

In order to maximize its impact, the program will give priority to shopping centers, strip malls and large buildings (buildings with more than three storefronts).

The City will make grant payments to the property owner. Payments **in the form of reimbursement** are issued during the duration of the project, after completion of roughly 25%, 50%, 75%, and at the completion of a qualified project.

Projects must be approved **prior to beginning construction** to participate in the program.

Interested businesses may apply for the program through the City's Department of Community Planning and Development (CP&D). Potential applicants should contact CP&D to determine if they are eligible.

ELIGIBILITY REQUIREMENTS

The NW 7th Avenue Commercial Façade Program is funded by the City's General Fund and all projects must meet all requirements outlined in the Program Agreement between the City and the Grantee.

- In order to be eligible for the program, the owner of the building must be the applicant of record.
- The property has to be located on the NW 7th Avenue Corridor within the City of North Miami boundaries.
- A qualified building is a structure with commercial space on the ground floor with street frontage and direct pedestrian access from the street.
- An eligible "façade" is the front face or elevation of the building, which typically faces the street and contains windows and the principal entrance to the building.
- In order to be eligible for the program, the façade must be in need of assistance to correct physical decline.
- Eligible work under the façade program includes: façade renovation, installation of storefront windows, signage, awnings, and exterior lighting.
- Approved work must result in a publicly visible and permanent improvement. Work to upper portions of the façade of a building is eligible for the grant, provided that such work is part of a larger qualified project involving street level improvements and provided that such work does not involve residential portions of the building.
- In order to be funded under this program, all façade improvements must conform with the City's approved *Downtown Master Development and Major Corridor Plan*.

The following types of businesses and uses are **not eligible** to participate in the program:

- Residential and industrial buildings
- Properties occupied by religious institutions
- Freestanding auto-related businesses such as gas stations, repair shops, automobile dealerships, quick-service and drive-thru facilities and car washes
- Adult bookstores or similar businesses
- Free standing liquor stores

The following types of work are **not eligible** in the program:

- Roof replacement
- Work that involves principally routine maintenance (i.e. minor repairs), unless part of a larger qualified project
- New construction or additions
- Billboard, landscaping and paving, unless part of a larger qualified project
- Work on residential portions of a commercial building

LEASING REQUIREMENTS

- Upon completion of the project, 50% of the ground-floor “leasable” commercial space must have leasing commitments of at least one year. If leasing requirements are not met at the time of final inspection, the property owner will be given 180 days to submit a one- year lease agreement to the City. If leasing requirements are not met after the extension, the City will recapture the equivalent of 10% of the grant.
- Program participants cannot arbitrarily increase rents on existing tenants after the completion of the project and will be required to honor rental amounts in all existing leases for the duration of the current lease.
- Renewal of leases for existing tenants must comply with industry standard for rental payment increases.
- Program participants may be required to coordinate the leasing of vacant space with the City.

CHANGE IN OWNERSHIP

Program participation is not transferable to new property owners. New property owners must reapply to participate in the program.

In addition, the property owner is not allowed to sell the building during five (5) years after the project is completed. If the property is sold during the five-year period, the City will recapture 20% of the grant for each year.

TIME LIMITS

Projects must be completed by the timetable outlined in the agreement between the property owner and the City.

CONSISTENCY WITH CITY ORDINANCES

Projects must comply with all City of North Miami zoning code and building requirements.

To be eligible to participate in the program, applicants must comply with all program requirements. Failure to comply with the program requirements at any time will result in the applicant being dropped from the program. The City of North Miami is the sole interpreter of eligibility determinations, payment amounts and compliance with program requirements. All of the City's decisions are final. Projects are not officially accepted in the program until an agreement between the applicant and the City is signed.

APPLICATION PROCESS

STEP 1 - APPLICATION SUBMITTAL

Complete the enclosed application and submit it to the City of North Miami Community Planning and Development Department with photos of the building façade.

Program staff will meet with you, typically within two weeks of receiving the complete application, to discuss the project and program requirements.

STEP 2 - PROJECT APPROVAL

Once the project is approved the Grantee will sign an Agreement and a Restrictive Covenant with the City. The agreement will include a "Scope of Work" defining the project total cost and the City grant amount. The Restrictive Covenant will include the obligation period and will be recorded against the property.

STEP 3 - PRE-CONSTRUCTION PHASE

Upon the project approval and execution of the agreement City staff conduct a "pre-construction meeting" to review the program procedures.

STEP 4 - APPROVAL TO BEGIN CONSTRUCTION

Once you have signed the contract with the City and you and your contractor(s) you will be issued a "Notice to Proceed Letter" indicating that construction may begin.

No work should start before the agreement is executed and a "Notice to Proceed" is issued.

STEP 5 - ISSUANCE OF PAYMENTS

The City will issue up to four payments during the project: upon completion of 25%, 50%, 75% and 100% of the project. Upon completion of each phase of the project, program staff will inspect the project to ensure compliance with the approved plans and budget.

The City will reimburse the property owner for the City's portion of the project cost by issuing a check approximately four weeks after staff inspections and after the following documentation has been submitted for each phase of the project.

- Progress report outlining the work completed and expenditures.
- Copies of cancelled checks (front and back) for the portion of the work completed. All project expenditures must be paid by check.
- Original, notarized partial and final "waivers of lien" from all contractors, subcontractors, and major material suppliers.

Final payment will be issued after all work has been completed, all the above mentioned documentation has been reviewed and accepted by the City, and leasing and other program requirements have been met.

**CITY OF NORTH MIAMI
NW 7th AVENUE COMMERCIAL FAÇADE PROGRAM APPLICATION**

Project Address

List the Property Folio Number(s)

APPLICANT INFORMATION

Property Owner's Information

Name _____

Address _____

City _____ State _____ Zip _____

Home telephone _____ Work telephone _____

Contact Person

Name _____

Home telephone _____ Work telephone _____

Indicate whether the Applicant is an individual or legal entity and, if a legal entity, indicate the type of entity below.

- Individual(s)
- Business corporation
- Not-for-profit corporation
- General partnership
- Limited partnership
- Joint venture
- Sole proprietor
- Other entity (specify)

If applicant is a private corporation, partnership or limited liability company, list below the name, business address and percentage of ownership interest or control of each partner.

Name	Business Address	% of interest

If Applicant is a non-profit organization, list names and title of the executive officers and directors/board members of the corporation.

Name	Title

Tenant Information

Business name # of Jobs	Owner's name	Type of business
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_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Please provide copies of Business Tax Receipt and Certificate of Use issued by the City of North Miami for each business operating at the property

Describe proposed improvement to the building façade
Provide 3 comparable estimates for the proposed work

Has the property in question participated in the City's Commercial Façade Program or the CRA Business Assistance Program in the last 5 years?

---- yes ---- no

Applicants must provide proof ownership of the property where the improvements will be made and that the payment of property taxes for the property being considered for the program is up to date.

The Applicant, _____ asserts that the preceding information is true and correct.

Applicant (print name)

Applicant's signature

Applicant's Social Security Number or Company's Federal ID Number

If the application is being submitted by the owner's agent , the following line must be completed.

I certify that I, the trustee and/or owner of the below-cited property, give the above signed Agent of record authority to implement improvements at the property as may be required under the NW 7th Avenue Commercial Façade Program.

Signature of owner or trustee

Print owner's or trustee's name and capacity

**Mail Application to:
City of North Miami
Community Planning and Development
Attention: Danuzio Lima
12340 NE 8th Avenue
North Miami, FL 33161**

Tel: (305) 893-6511 ext. 1218

APPLICATION CHECK LIST

- Complete Application
- Legal description of the property
- Proof of property ownership (Warranty Deed)
- Property Tax Bill
- Proof of Property Insurance
- Sketch or rendering of proposed improvements
- Three cost estimates by licensed contractors (line item estimate)
- Tax receipt for businesses located in the property
- Before Pictures